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**IN THE UNITED STATES DISTRICT COURT  
 FOR THE DISTRICT OF OREGON**

BRENDA K. GORDON, an individual  
 person, a natural citizen on behalf of all those  
 similarly situated,

Plaintiff,

vs.

RAYMOND J. QUINLAN, as an individual  
 "person" and in his official capacity as  
 Chairman and Chief Executive Officer of  
 Sallie Mae, SLM CORPORATION;  
 SALLIE, a Corporation;

NICHOLAS C. WILSON, as an individual  
 "person" and in his official capacity as  
 Chairman and Chief Executive Officer of  
 CollectCorp, Inc.;  
 CollectCorp, Inc., Corporation

FEDERAL STUDENT AID "FSA"  
 An Office of the U.S. Department of  
 Education, and others,  
 Defendants.

Case No.: **3'16 CV 0867- PK**

**CIVIL COMPLAINT  
 CONTINUING VIOLATION**

of AMENDMENT V

"Due Process Clause" Claim  
 for Deprivation of a "Liberty Interest"

**BIVENS CLAIM**

**UNFAIR AND DECEPTIVE ACTS AND  
 PRACTICES**

12 U.S.C. § 5562-65

Fraud /Deceit/Civil Conspiracy/Unjust Gains

Breach of a Duty of Good Faith and Fair

Dealing; Negligent and Intentional Infliction of

Emotional Distress (NIED)(IIED)

**DECLARATIVE/INJUNCTIVE RELIEF/  
 and ESTOPPEL**

**CONSTITUTIONALITY CHALLENGES  
 CLAIMS FOR RELIEF**

**DEMAND \$700 BILLION U.S. DOLLARS**

JURY DEMAND

CLAIM NOT SUBJECT TO MANDATORY  
 ARBITRATION

**I FEDERAL CAUSE OF ACTION**

1. [The Supreme Court's] precedents confirm that the Petition Clause *protects* the *right* of individuals to appeal to courts and other forums established by the government for resolution of legal disputes.

"[T]he right of access to courts for redress of wrongs is an aspect of the First Amendment right to petition the government." *Sure-Tan, Inc. v. NLRB*, 467 U.S. 883, 896-897, 104 S.Ct. 2803, 81 L.Ed.2d 732 (1984)(quoted in *Borough of Duryea, Pennsylvania, et al., v. Charles J. Guarnieri*, 131 S.Ct. 2488 (2011)).

2. In accordance with Federal Rule of Civil Procedure (“FRCP”) 7(a)(1), Plaintiff Brenda K. Gordon in Pro Se, files this Civil Complaint in the District Court to petition the judicial branch of government for redress of grievances against the defendants named in the above caption as individuals and entities operating under the federal government as a division of the Department of Education and Treasury and or private or public companies and recipients of federal funds as General Service Contractors for alleged continuous violations of the “Due Process” Clause under Amendment V, in the U.S. Constitution.

3. Pursuant to Rule 8(a)(1), under Article III of the United States Constitution, federal courts can hear "all cases, in law and equity, arising under this Constitution, [and] the laws of the United States..." U.S. Const., Art III, Sec 2. The Supreme Court has interpreted this clause broadly, finding that it allows federal courts to hear *any* case in which there is a federal ingredient. *Osborn v. Bank of the United States*, 9 Wheat. (22 U.S.) 738 (1824)(quoted in *Harlow v. Fitzgerald*, 457 U.S. 800 (1982)) (Emphasis added)

4. Plaintiff brings this grievance for review of ongoing federal constitutional infringements of a liberty interest under the Due Process Clause of Amendment V pursuant to the right granted under “the Petition Clause” in Amendment I for a *Bivens* Claim, as well as a Consumer Protection Claim under the Consumer Financial Protection Act of 2010, CFPB 12 U.S.C. 5562-65 /the Dodd-Frank Act, Title X.

5. The time for complaining, to no avail, to unreasonable bullies hiding under cloak of federal agencies while they roam the land stalking, harassing, terrorizing, and preying upon vulnerable “unsophisticated economically disadvantaged consumers” only so they may reap the unjust benefits of filing billions of dollars in false federal claims for predatory loans, at taxpayer expense, must end.

6. More importantly, it's time for the court's to step up and do the jobs they are being compensated for, as well as legislators who created these instruments to do their bidding and allowed them to get out of control and wreck havoc on citizens' lives, on the economy, and our post-secondary educational programs. Plaintiff alleges as follows:

## **II. FACTUAL ALLEGATIONS COMMON TO ALL CLAIMS**

7. It's really pretty simple, if corruption wasn't involved. During 1989 through 1993, Plaintiff borrowed federal student loans, totaling approximately \$10,000 at 6% and 8% interest. Her goal was to obtain a degree and teaching certificate and become a teacher while she worked and paid her way through law school.

8. However, unbeknownst to Plaintiff, her loans were placed in a co-hort default group of loans within 30 days after completing the program at a California State University. The only way to make it plain, is that co-hort default loans get sucked into a black hole as EZ targets, people who are vulnerable, low income, and will be unable to legally protect their rights or their interests.

9. The defendants have been the holder of Plaintiff's federal student loan promissory notes beginning in 1993 through and including the present day.

10. Under the notes' legal and binding agreement, made applicable under the Federal Family Loan Educational Program ("FFELP"), the defendants had a duty to comply with specific provisions for managing, collecting, and resolving federal student loans, so as not to cause harm.

11. From the onset, the defendants violated the agreement by placing the loans in default without Plaintiff's knowledge or an opportunity to contest and challenge it in some form of hearing before an impartial decision maker. The loans went into default during the six month grace period and

unemployment deferment. Plaintiff was unemployed, filed the appropriate deferment and change of address forms, and when she found work nine months after leaving school, as a clerk typist for \$15,000 a year, she promptly contacted the Department to set up an affordable payment plan.

12. The problem: Plaintiff never talked to a department employee with the authority to set up a payment plan. She was only referred to the Ombudsman who informed her the loans were in default and the only way to resolve it was to pay the now \$50,000 debt in full.

13. The scam: the “Ombudsman” is the FSA, the federal student aid department, and strictly the department's collection arm. There was a conflict of interest from the start. But no one ever discloses that information. Instead, a borrower is led to believe they are communicating with someone who has their best interests at heart. This is misrepresentation and deceit. Consumers are entitled to transparency from the federal government and their affiliates.

14. The issue here however, as long the loans remain in default, the FSA and SLM, SLMA, “Sallie Mae” who holds the bulk of defaulted loans, can swap the notes back and forth to either Sallie Mae's wholly owned collection companies or attorneys authorized under the DOJ as collection contractors. These contractors do not have to actually do any official or legal collections, i.e. obtaining judgments in a court or resolving the loans. Whatever money or property they can seize from a defaulted borrower, they can keep, and Sallie Mae, the FSA, and contractors like CollectCorp, Sallie Mae's wholly owned company can file a federal claim for large sums of money for their covert “operations.”

15. These claims are in addition to appropriations funneled through the FSA for GSA contractors. CollectCorp receives approximately \$5,236,000 annually while Sallie Mae receives around \$45 million a year from taxpayer's to inflict this deception, fraud, and economic harm.

16. Now, the really creepy part, is that, in 1979, the Secretary of the Department of Education persuaded Treasury to give them \$5,000,000 of tax payer funds to start a new business, that it could take public, which opened the door for insider securities trading and all kinds of fraudulent acts. The history speaks for itself, the lawsuits, the court documents, etc. That new business was an ambiguous student loan marketing company, whatever that means, which has undergone all types of flip flops, otherwise known as SLMA, “Sallie Mae.”

17. The law says, these collection companies handling student loan notes are supposed to disclose who the holder is, make affordable payment plans which do not have to be a set amount like \$50, it can be \$1.00 before defaulting a loan, determine if the borrower is able to pay or unwilling to pay. Essentially, if they can't afford \$150 a month, they are not supposed to be placed under onerous, burdensome payment plans.

18. Despite Plaintiff's repeated and diligent efforts to resolve the debt through installment payments, the defendants rejected all offers and comprises, denied a doctor's signed Total and Permanently Disabled Form in 1999, seized more than \$6000 in Social Security Disability Insurance payments without notice and hearing, continue to call incessantly, intrude upon her seclusion, harass, humiliate, slander, and invade her privacy and property, all in direct violation of the Act.

19. Moreover, the defendants contrive businesses that have swindled money from Plaintiff for fraudulent utility bills, phone bills, medical bills, lied about her to neighbors, friends, and family – effectively compromising her relationships by causing people to believe they are federal agents, like the IRS or FBI and Plaintiff is under investigation for fraud, not paying taxes, etc. As a result, Plaintiff



has become completely isolated.

20. For the past five years or so, the Texas national payment center, a collection call center has been relocating its employees to Plaintiff's apartment complex, where they live for free on taxpayers, file false claims for collecting on Plaintiff's legally unenforceable and fictitious \$70,000 loan debt, buy new cars, homes, boats and have taken over the tenants garages to store an abundance of merchandise.

21. The defendants' actions have not only harmed Plaintiff but taxpayers and our economy as well. Specifically, the defendants' seizing money from Plaintiff's SSDI for their unjust enrichment infringed upon three federal programs for which taxpayer's support, precisely Social Security benefits, the housing program, and medicare.

### III. LEGAL AUTHORITIES

22. Plaintiff had a right to be free from vexatious, arbitrary, and capricious harassment, deceptive acts and practices, fraud, stalking, and the seizure of her property interest SSDI without adequate notice and hearing, which they have threatened to do again, and at any point may so do.

23. These collection divisions are not impartial and should never have been given any authority to invade "economically disadvantaged" persons lives on any level. *See Goldberg v. Kelly*, 397 U.S. 254, 271 (1970); *See also*

"The *neutrality requirement* helps to *guarantee* life, liberty, or property will *not* be taken on the basis of *an erroneous or distorted conception of the facts or the law*. . . . At the same time, it *preserves both the appearance and reality of fairness* . . . by ensuring that no person will be deprived of his interests in the absence of a proceeding in which he may present his case *with assurance that the arbiter is not predisposed to find against him*. *Marshall v. Jerrico*." 446 U.S. 238, 242 (1980)

24. The billions of dollars being appropriated to these contractors is a misuse and abuse of

educational programs and taxpayer dollars. It is fraud and theft for unjust enrichment at taxpayer expense, and on behalf of the citizens and taxpayer's of this nation, they should be made to pay back the monies received since SLMA's establishment in 1979. Because it's effectively a racket.

25. Plaintiff's loans became legally unenforceable the moment the parties violated and breached the agreement.

26. This court has the power and authority to issue an Order estopping any further collections on Plaintiff's loans so that no more false federal claims can be filed and paid for the ongoing 20 plus year matter.

#### IV. THE PARTIES

27. Plaintiff is a natural citizen, entitled to the right to be free from vexations affirmative acts and omissions by governmental actors who violate the federal procedural provisions established under the FFELP.

28. Nicholas Wilson, with his company, Collectcorp Corporation, is a GSA contractor with the FSA and the recipient of approximately \$5,236,000 annually from FSA federal funds. The company began collection activity on Plaintiff's loans during 1999 when she was awarded SSDI, and continues to extract money as utility companies, phone company, medical billing, etc., although it either operates under other names, or employs field representatives. The company is located at the Arizona Center, 400 E. Van Buren St., 85004, in Plaintiff's home State, where she relocated from shortly after being awarded SSDI, the defendants are only a few minutes from where she lived. None of those collection moneys have been paid on her loans. The company has a duty to comply with the laws and rights of citizens. Mr. Wilson recently established a Securities Fund.

29. RAYMOND J. QUINLAN and SLM/Sallie Mae/SLMA are a private company doing business for the federal government handling primarily defaulted student loans. The company is appropriated approximately \$44,936,000 annually. The company is located at 300 Continental Drive,

Newark, DE 19713. It recently became a bank – capitalize the feeding frenzy class actions in Florida?

30. The Federal Student Aid is the Department of Education's Collection Division. It has several major regional offices most prominently in Chicago and Atlanta. The division contracts approximately 21 collection agencies out of its operations with awards totaling\$ 3,846,199,651 dollars (\$3.9 Billion!) a year. Trillions of taxpayer dollars are siphoned through this agency from Disney to countless other collection companies primarily wholly owned by SLM. The question is, how many students could have secured a degree with that money and gone on to find good employment rather than burdened with defaulted loans?

#### V. Jurisdiction and Venue

31. The District Court has ORIGINAL jurisdiction under 28 U.S.C. §§ 1331,1341,1343(a) (1), & § 1411;

32. The District Court has jurisdiction under 28 U.S.C. § 2201 and § 2202 for Declaratory Relief .

33. Venue and Subject-matter are proper under 28 U.S.C. § 1391(e)(2) because the events giving rise to Plaintiff's constitutional claims occurred in this judicial district. Plaintiff is a resident of this District. The defendants are a diverse group of federal government entities.

34. Plaintiff preserves the right to timely amend this complaint for any errors, changes, claims, adding parties, corrections, etc., prior to service and summons on defendants.

#### **CLAIMS FOR RELIEF**

35. Plaintiff incorporates the allegations in paragraphs 1 through 33 as though stated herein. At all times relevant, the defendants had a duty to comply with the laws of this nation in protecting consumer and constitutional rights, and upon repeated notice, failed to correct their actions with deliberate indifference to civil obligations and to the rights of others.



## VI. DAMAGES

36. Plaintiff has been irreparably harmed by the violations alleged hereto and without this court's intervention, will continue to sustain such harm from the more than 20 years of injury.

“Actual damages caused by a denial of procedural due process may be based on either the emotional distress caused by the denial of fair process, or by an unjustifiable deprivation of liberty or property attributable to lack of fair process.” @ 263–64 (mental and emotional distress actually caused by denial of procedural due process is compensable under § 1983). *Carey v. Piphus*, 435 U.S. 247 (1978) (procedural due process claim). Bivens and 1983 claims have no distinction of being separate.

**WHEREBY**, Plaintiff prays for the following relief;

- I. Declare the defendants' failure to comply with the provisions under the FFELP for more than 20 years without some form of hearing to correct the mistake or establish an affordable payment plan upon repeated requests infringed upon Plaintiff's right to be free from the financial and emotional harm resulting in physical distress; and the defendant's affirmative acts and omissions were arbitrary, capricious, conducted with willful and knowing intent to cause financial harm to Plaintiff for their unjust gains, and such wrongful conduct was contrary to law and deprived Plaintiff of procedural provisions necessary to resolve the wrongful default, and deprived her of a liberty interest to be free of such harm, and in doing so, violated the Due Process Clause in Amendment V;
- II. A Declaratory Judgment estopping any further collection on Plaintiff's legally unenforceable federal student loans, and ORDER the defendant's to return the monies taken from her SSDI without notice and hearing during 2002 through 2005. It's never too late to do the right thing.
- III. Issue an Order under the False Claims Act on behalf of the United States of America Demanding \$700 Billion from the defendants to repay taxpayer's from their unjust enrichment.

- IV. Issue an Award Judgment in Damages and Punitive Damages to Plaintiff in the amount of \$3,000,000.00 U.S. Dollars for willful constitutional injuries for 20 plus years of pain and suffering.
- IV. And any other costs and recompense this court and a jury deem fair.

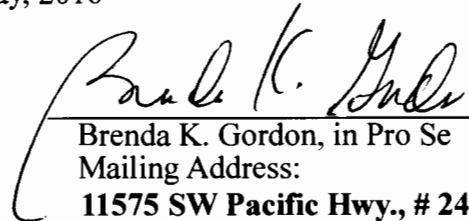
#### **DEMAND FOR JURY TRIAL**

Plaintiff exercises her right under Amendment VII of the U.S. Constitution and respectfully demands a trial by jury, pursuant to FRCP 38(a) and (b) on all of the issues presented herein.

#### **DECLARATORY STATEMENT**

"I, Brenda K. Gordon, Plaintiff in Pro Se, hereby declare that the above statements are true to the best of my knowledge and belief, and that I understand it is made for use as evidence in court and is subject to penalty for perjury."

Respectfully Submitted this 13 th day of May, 2016



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Brenda K. Gordon, in Pro Se

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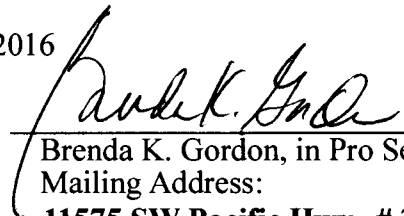
**CERTIFICATE OF SERVICE**

I, Brenda K. Gordon, hereby certify that on May 13, 2016, caused to be served a true and correct copy of the foregoing: CIVIL COMPLAINT on the following person(s) in the manner indicated below at the following address(es):

*Farlex* *BKG*  
**BY: ~~REGISTERED CERTIFIED MAIL, RETURN RECEIPT/USPS AND~~**

**TO: TRIAL COURT COORDINATOR  
IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON**  
1003 SW 3d Avenue #740  
Portland, OR 97204-1123

Respectfully Submitted this 13<sup>th</sup> day of May, 2016

  
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